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Chk # 148164

Amount 25.00

Rcvd By JP

Date 12-12-23

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THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
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TELEPHONE (212) 973-0111
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DANIELLE C. BURT
TELEPHONE: (202) 295-8439
FACSIMILE: (202) 424-7645
DCBURT@SWIDLAW.COM

December 11, 2003

BY OVERNIGHT MAIL

Sharla Dillon, Dockets and Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

03-00634

Re: Joint Petition of Lightyear Communications, Inc., Lightyear Telecommunications LLC, and Lightyear Network Solutions, Inc. for Grant of Authority Necessary to Consummate a Corporate Reorganization

Dear Ms. Dillon:

On behalf of Lightyear Communications, Inc., Lightyear Telecommunications LLC, and Lightyear Network Solutions, LLC (collectively, "Petitioners"), enclosed for filing are an original and thirteen (13) copies of the above-referenced Petition. Also enclosed is a check for \$25.00 to cover the requisite filing fee for the above-referenced filing.

Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, stamped envelope enclosed herein. Should you have any questions, please do not hesitate to contact Danielle Burt at (202) 295-8439.

Respectfully submitted,



Danielle C. Burt

Enclosures

cc: Brent Rice
Linda Hunt

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY**

<hr/>)	
Joint Petition of)	
Lightyear Communications, Inc.,)	
Lightyear Telecommunications LLC,)	
and Lightyear Network Solutions, LLC)	Docket No. _____
Grant of Authority Necessary to)	
Consummate a Corporate Reorganization)	
<hr/>)	

JOINT PETITION

Lightyear Communications, Inc. ("Lightyear"), Lightyear Telecommunications, LLC ("LLC," and collectively, the "Lightyear Companies"), along with Lightyear Network Solutions, LLC ("New Lightyear," and collectively with the Lightyear Companies, "Petitioners"), through their undersigned counsel and pursuant to Sections 65-4-113 and 65-4-201 of the Tennessee Code and Section 1220-4-8-.05 and Section 1220-4-2-.56 of the Rules of the Tennessee Regulatory Authority ("Authority"), hereby respectfully request that the Authority grant authority, to the extent necessary, to permit Petitioners to consummate a series of transactions through which the Lightyear Companies will emerge from bankruptcy through the transfer of substantially all of its assets to New Lightyear. Additionally, New Lightyear will engage in a financial transaction whereby it will secure additional operating capital for future operations concurrent with the transfer of the assets from the Lightyear Companies. Immediately after regulatory approval and completion of the transaction, New Lightyear will commence providing service to the current customers of the Lightyear Companies under the name Lightyear Network Solutions, LLC. As described below, because the proposed transaction is part of a larger proceeding conducted under the supervision of the U.S. Bankruptcy Court, it is not anticipated that the transaction will change the rates, terms or conditions of service currently offered by the Lightyear Companies. The Petitioners therefore

respectfully request that the Authority grant any and all authority necessary to permit the Petitioners to consummate the aforementioned transactions.

Since April 29, 2002, the Lightyear Companies have been operating under the protection of the United States Bankruptcy Code in a case pending in the Bankruptcy Court for the Western District of Kentucky ("Bankruptcy Court"). The transactions described below will allow a reorganization of the Lightyear Companies by transferring substantially all of the assets to New Lightyear, under the control of a new set of investors, with access to the capital required to allow New Lightyear to continue operating after the completion of the reorganization. The transaction will thus ensure that the Lightyear Companies' telecommunications customers will continue to receive services on an uninterrupted basis. Because the proposed transactions will allow New Lightyear to provide high quality services in Tennessee by allowing the assets of the Lightyear Companies to be transferred to a revitalized set of investors, and resume the earlier growth as a competitor in the Tennessee marketplace, the proposed transactions serve the public interest. As such, the Petitioners have an urgent need to complete the proposed transactions as soon as possible, but in no event later than March 1, 2004.

In support of this Petition, Petitioners state as follows:

I. The Petitioners

A. Lightyear Network Solutions, LLC

New Lightyear is a newly created limited liability company formed and existing under the laws of the State of Kentucky with offices located 1901 Eastpoint Parkway, Louisville, Kentucky 40223. New Lightyear is a wholly owned subsidiary of LY Acquisition, LLC ("Acquisition"), a Kentucky limited liability company also located at 1901 Eastpoint Parkway,

Louisville, Kentucky 40223. New Lightyear has attached its Articles of Organization as **Exhibit A** and its Application for Authority to Transact Business in Tennessee as **Exhibit B**.

As demonstrated below, New Lightyear is well qualified managerially, technically and financially to own and control the assets of the Lightyear Companies.

1. Managerial Qualifications

New Lightyear possesses the qualifications necessary to provide competitive telecommunications services throughout Tennessee.

Mr. Henderson, the current President and Chief Executive Officer of Lightyear Holdings, Inc., the parent of the Lightyear Companies, is also an investor in Acquisition. It is expected that he will have a similar executive position in Acquisition after the completion of this transaction and thus will be active in the day-to-day management of New Lightyear. Mr. Henderson has extensive managerial experience in the telecommunications industry.

The reorganization also contemplates that members of the senior management team responsible for the day-to-day operations of the Lightyear Companies will remain employed by New Lightyear, as more fully described below. Thus, New Lightyear's acquisition of the assets of the Lightyear Companies will bring together the experienced management team already in place at the Lightyear Companies with the new investment capital being brought in by the investors of New Lightyear. Mr. Henderson's experience owning, managing, developing and growing telecommunications and other domestic and global businesses will remain. As much of the existing leadership of the Lightyear Companies will serve in similar positions in New Lightyear or Acquisition, the management team is well qualified to manage, operate and expand New Lightyear as a telecommunications carrier. Biographies of the New Lightyear management are attached as **Exhibit C**.

2. Technical Qualifications

New Lightyear possesses the technical expertise to operate the assets of the Lightyear Companies. As described above, Mr. Henderson, the CEO of Lightyear Holdings, Inc. holds ownership and managerial interests in Acquisition.

In managing the technical operations of New Lightyear, Mr. Henderson will draw upon the skills of the Lightyear Companies' existing team of technical experts. Biographies of key technical personnel are included in **Exhibit C**.

New Lightyear is technically qualified to continue providing the telecommunications services currently provided by the Lightyear Companies and expanding such offerings in the future.

3. Financial Qualifications

New Lightyear, through the available assets of Acquisition has substantial financial wherewithal and can satisfy the Authority's requirements for certification. Financial information for Acquisition is provided in **Exhibit D**.

B. Lightyear Communications, Inc.

Lightyear is a privately held corporation organized and existing under the laws of the State of Kentucky with principal offices located at 1901 Eastpoint Parkway, Louisville, Kentucky 40223. Lightyear is a wholly owned subsidiary of Lightyear Holdings, Inc., a privately held corporation.

Lightyear is authorized by the Authority to provide telecommunications services in Tennessee as a reseller and facilities-based interexchange and local exchange carrier pursuant to Docket No. 95-02612 issued on July 31, 1995, Docket No. 98-00674 issued on January 12, 1999,

and Docket No. 00-00996 issued on February 22, 2001. In Tennessee, Lightyear currently has approximately 2,296 local customers and 4,566 long distance customers.

C. Lightyear Telecommunications, LLC

LLC is a privately held limited liability company organized and existing under the laws of the State of Kentucky with principal offices also located at 1901 Eastpoint Parkway, Louisville, Kentucky 40223. LLC is also wholly owned subsidiary of Lightyear Holdings, Inc., a privately held corporation.

LLC is authorized by the Authority to provide telecommunications services in Tennessee as an interexchange carrier pursuant to Docket No. 98-00374 issued on September 1, 1998. LLC currently has no customers in Tennessee.

II. Contacts

Questions or inquiries concerning this Petition may be directed to the following counsel for the Petitioners:

William B. Wilhelm, Jr.
Douglas D. Orvis II
Danielle C. Burt
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116
(202) 295-8439 (Tel)
(202) 424-7645 (Fax)
WBWilhelm@swidlaw.com (Email)
DDOrvis@swidlaw.com (Email)
DCBurt@swidlaw.com (Email)

and:

W. Brent Rice, Esq.
McBrayer, McGinnis, Leslie & Kirkland, PLLC
201 East Main Street
Suite 1000
Lexington, Kentucky 40502
(859) 231-8780 (Tel)
(859) 231-6518 (Fax)

For purposes of other Authority inquiries, complaints, and correspondence, the contact for the Authority will remain as follows after the transfer:

Linda Hunt
Manager of Regulatory Affairs
1901 Eastpoint Parkway
Louisville, Kentucky 40223
(502) 244-6666 (Tel.)
(502) 515-4138 (Fax)
Lindah@lightyearcom.com (Email)

For purposes of referring consumer inquiries, the contact information will remain as follows after the transfer:

1901 Eastpoint Parkway
Louisville, Kentucky 40223
(502) 244-6666 (Tel.)
(502) 515-4138 (Fax)

III. Description of the Transactions

A. The Reorganization

Petitioners propose to complete a series of transactions ("Transactions") whereby New Lightyear will acquire substantially all of the assets of Lightyear and LLC, and thus become the provider of telecommunications services to current customers of the Lightyear Companies.

The sale of assets has been approved pursuant to an auction conducted under the supervision of the U.S. Bankruptcy Court for the Western District of Kentucky on October 28, 2003. Pursuant to the terms of the Asset Purchase Agreement executed by Acquisition and the Lightyear Companies, Acquisition agreed to an estimated purchase price of \$33.5 million through a combination of cash payment and debt assumption of the debtors to satisfy the creditors of the Lightyear Companies. At the time of closing, the assets of the Lightyear Companies will be transferred to Acquisition and then immediately transferred to New Lightyear. After the transfer of

assets to New Lightyear, New Lightyear will operate as a certificated carrier in Tennessee, and will provide telecommunications service to all current Lightyear and LLC customers. New Lightyear will continue to conduct its operations in substantially the same manner in which those operations are currently conducted by the Lightyear Companies. Immediately after the Transactions are completed, current customers of the Lightyear Companies will continue to receive service under the same rates, terms and conditions that currently apply to their services. As a result, the proposed asset sale will be virtually transparent to customers in terms of the services that they receive.¹

In addition, it is expected that Acquisition will be entering into a variety of financing arrangements at the time of consummating the aforementioned asset purchase. While the details of this transaction have not yet been finalized, this financing will involve Acquisition receiving a bank loan of approximately 14 million dollars, secured by a guarantee of the assets of New Lightyear, including the newly acquired assets from the Lightyear Companies. This transaction will occur simultaneously with New Lightyear's becoming a certificated telecommunications carrier in Tennessee, and thus may not technically require the approval of the Authority under Tennessee Code. Nonetheless, the Petitioners provide this information in the interest of completely and accurately describing the Transactions. To the extent that the Authority believes this portion of the Transactions requires approval, the Petitioners hereby request such approval.

The proposed Transactions are also not expected to materially change the Lightyear Companies' current management team which is expected to oversee New Lightyear's operations after the completion of the Transactions.

¹ An organizational chart illustrating before and after the Transactions is provided as **Exhibit E**.

B. Statements as Required by Section 1120-4-2-.56 of the Authority's Rules

Petitioners provide a copy of a self-certification letter similar to what will be filed with the Federal Communications Commission ("FCC"). A copy is attached hereto as **Exhibit F**.

Petitioners also intend to notify customers of the Transactions and give assurances regarding the continued provision of Lightyear services. The proposed letter, attached as **Exhibit F**, will explain that the customers' local or long distance service will be transferred to New Lightyear unless the customer selects another telecommunications service provider. New Lightyear agrees to inform customers in the notification letter that it will pay any fees charged to the customer for changing service to New Lightyear. Furthermore, New Lightyear will state that it will provide a thirty (30) day written notice of any rate increase that may affect customers' service up to ninety (90) days from the date of the transfer of customers. Therefore, in accordance with Section 1220-4-2-.56 of the Rules of the Authority, the Petitioners request this proposed customer letter be approved by the Authority.

IV. PUBLIC INTEREST CONSIDERATIONS

Petitioners respectfully submit that the proposed Transactions serve the public interest. In particular, Petitioners submit that (1) New Lightyear holds the managerial, technical, and financial qualifications to acquire the assets of the Lightyear Companies; (2) the Transactions will benefit competition in the Tennessee telecommunications market by enabling the Lightyear Companies to resume its growth as an effective competitor in the State; and (3) the Transactions will assure that there is no disruption of service and will be virtually transparent to existing customers of the Lightyear Companies.

As demonstrated above, New Lightyear is well qualified, managerially, technically and financially, to acquire the assets of the Lightyear Companies. The above qualifications

considered, approval of the transactions and transfer of the assets of the Lightyear Companies to New Lightyear serves the public interest.

The Lightyear Companies' current financial position has effectively precluded it from growing as a competitor in the telecommunications market. As a practical matter, although no services to customers have been discontinued or interrupted as a result of the Lightyear Companies' bankruptcy, the Lightyear Companies have not been able to compete effectively for new customers or expand its business operations during this period. Moreover, because some of its competitors have capitalized on the uncertainty inherent in bankruptcy, the Lightyear Companies have also seen an erosion in its customer base during this time.

The Transactions will further the public interest by fostering competition. The completion of the proposed Transactions will remove the financial and operational factors that currently constrain the Lightyear Companies, thereby allowing New Lightyear to compete effectively in the Tennessee telecommunications market and continue to offer alternative high-quality, competitively priced telecommunications service to Tennessee customers. As a result, the proposed Transactions are expected to increase competition in Tennessee and provide Tennessee customers a stronger alternative to incumbent and other competitive local and long distance service providers.

Existing customers, in particular, will realize significant public interest benefits from the proposed Transactions. The proposed Transactions will allow the Lightyear Companies to avoid liquidation and ensure that existing customers will continue to receive service from New Lightyear without disruption, interruption or customer migration. Those customers will continue to receive the same high quality, affordable telecommunications services that they currently receive. The assets of the Lightyear Companies will therefore emerge from bankruptcy in a manner that is virtually transparent to existing customers.

As demonstrated above, the proposed Transactions do not present novel or complex issues for Authority consideration. The Lightyear Companies are non-dominant competitive carriers that do not control a substantial portion of the Tennessee telecommunications market. Because New Lightyear is led by a highly capable management team and most of the existing senior management of the Lightyear Companies will oversee day-to-day New Lightyear operations, the proposed Transactions will be seamless in nature. Accordingly, Petitioners respectfully submit that the information presented in this Petition is sufficient to permit the Authority to rule on the Transaction and that, due to its non-controversial nature, further submit that this matter is appropriate for expedited consideration.

CONCLUSION

For the reasons stated above, Petitioners respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this instant Petition, failure to grant it would directly harm the public interest. In light of the exigent circumstances and, in particular the need to ensure continuity of service to existing customers, Petitioners respectfully request expedited treatment to permit Petitioners to consummate the proposed Transactions as soon as possible, but in no event after March 1, 2004.

Respectfully submitted,

A handwritten signature in black ink that reads "Danielle Burt". The signature is written in a cursive, flowing style.

William B. Wilhelm, Jr.

Douglas D. Orvis II

Danielle C. Burt

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K Street, NW, Suite 300

Washington, DC 20007-5116

(202) 295-8439 (Tel)

(202) 424-7645 (Fax)

WBWilhelm@swidlaw.com (Email)

DDOrvis@swidlaw.com (Email)

DCBurt@swidlaw.com (Email)

Dated: December 11, 2003

List of Exhibits

Exhibit A	Articles of Organization
Exhibit B	Application for Certificate to Transact Business in Tennessee
Exhibit C	Management Biographies
Exhibit D	Financial Information (<i>Filed Under Seal</i>)
Exhibit E	Organizational Chart
Exhibit F	Customer Letter
Verification	

EXHIBIT A

Articles of Organization

0572568.06

sbates
LAOO

John Y. Brown III
Secretary of State
Received and Filed

11/20/2003 11:16:41 AM

Fee Receipt: \$40.00

**ARTICLES OF ORGANIZATION
OF
LIGHTYEAR NETWORK SOLUTIONS, LLC**

The undersigned organizer, desiring to form a limited liability company under the Kentucky Limited Liability Company Act, hereby states the following:

1. The name of the limited liability company is **Lightyear Network Solutions, LLC**.
2. The name and address of the registered agent are:

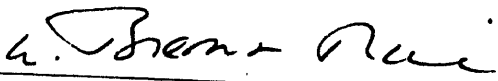
W. Brent Rice
201 East Main Street, Suite 1000
Lexington, Kentucky 40507

3. The address of the initial principal office of the limited liability company is:

201 East Main Street, Suite 1000
Lexington, Kentucky 40507

4. The limited liability company is to be managed by its members.

IN WITNESS WHEREOF, the undersigned has duly executed these Articles of Organization this 19th day of November, 2003.


W. Brent Rice, Organizer

CONSENT OF REGISTERED AGENT

The undersigned, having been named in the Articles of Organization of Lightyear Network Solutions, LLC (the "Company") as the registered agent of the Company hereby consents to serve in that capacity.


W. Brent Rice

The foregoing instrument
was prepared by:

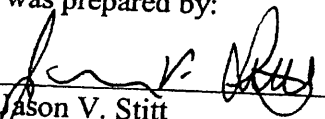

Jason V. Stitt
Sawyer & Glancy PLLC
3120 Wall Street, Suite 310
Lexington, Kentucky 40513

EXHIBIT B

Application for Certificate to Transact Business in Tennessee

State of Tennessee



Department of State
Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

For Office Use Only

APPLICATION FOR
CERTIFICATE OF AUTHORITY

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of § 48-246-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the Limited Liability Company is: Lightyear Network Solutions, LLC

If different, the name under which the certificate of authority is to be obtained is: _____

NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48-207-101(d).

2. The state or country under whose law it is formed is: Kentucky

3. The date of its organization is: 11/20/03 (must be month, day and year)

4. The complete street address (including zip code) of its principal office is:

201 E. Main Street, Suite 1000 Lexington, KY 40507
Street City/State Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee:

1900 Church St, Suite 400 Nashville, TN 37203
Street City/State County Zip Code

The name of its registered agent at that office is: National Registered Agents, Inc.

6. The number of members at the date of filing 1

7. If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) _____.

NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

12/ /03

Signature Date

Manager of LY Acquisition, LLC, Member

Signer's Capacity

Lightyear Network Solutions, LLC

Name of Limited Liability Company

Signature

W. Brent Rice

Name (typed or printed)

EXHIBIT C

Management Biographies

LIGHTYEAR COMMUNICATIONS, INC.
TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL

J. Sherman Henderson, III, President and Chief Executive Officer

Mr. Henderson has over twenty-five years of business experience, including sales, marketing and management. Mr. Henderson was instrumental in the growth and success of Charter Network, a long distance carrier serving five Midwestern states. He was associated with Charter from 1986 until its sale to Litel in 1990. Under Mr. Henderson's guidance, Charter grew from \$9 million in annual revenues to \$50 million in four years. Directly prior to founding Lightyear, he served as an officer for Turbo Consulting Enterprises, Inc., located in Louisville, Kentucky, which provides a wide range of consulting services to the telecommunications industry. Mr. Henderson is a graduate of Florida State University, with a B.A. degree in Business Administration. Mr. Henderson currently serves as Chairman of the Telecommunications Resellers Association.

John J. Greive, Vice President of Regulatory Affairs and General Counsel

Prior to joining Lightyear in July, 1996, John Greive maintained a general practice as a partner with Chandler, Saksefski and Greive. John also worked as an associate in the corporate section of a mid-sized firm in Louisville, Kentucky. John is responsible for managing all legal and regulatory affairs including representing Lightyear before state and federal regulatory agencies. He received his B.S. in Mathematics from Bellarmine University and his Juris Doctorate from the University of Louisville. John also serves as the Corporate Secretary for Lightyear.

G. Henry Hunt, Senior Vice President of Sales and Marketing

G. Henry Hunt joined Lightyear in 1996, and currently is responsible for Lightyear's Agent program including recruitment, sales support, marketing and product development. Hunt previously served as Lightyear's Director of Strategic Planning and Vice President of Marketing. Before joining Lightyear, he was President of Babcock-Rickert Advertising; worked in Marketing with Chi-Chi's, Restaurants Inc; and served as a consultant for national retail, product, and business-to-business marketing companies. Since joining Lightyear, Hunt has made significant contributions in Agency recruitment, product marketing, business planning and systems development. Hunt is a graduate of the University of Kentucky School of Journalism with additional study in Marketing.

Edward J. Wampler, Senior Vice President of Operations

Edward J. Wampler, Senior Vice President of Operations, has played a critical role in Lightyear's Operations Department from the company's beginnings in 1993. He previously served as Operations Manager for Charter Network, where he directed marketing projects, implemented productivity reporting, created standard operations manuals, instituted performance standards, and was responsible for developing Charters customer service and order processing departments. Wampler also served as the manager for LCI International's customer service division after Charter Network was purchased. His Lightyear responsibilities include overseeing many facets of Lightyear's Operations, which include the Customer Service and Order Provisioning Divisions. Wampler received a B.A. in Economics from the University of Louisville.

Elaine G. Bush, Vice President of Finance

Elaine G. Bush began her career with Lightyear in 1996 as Controller. She has since moved up to head the company's finance department as Vice President of Finance, where she supervises the company's financial reporting, commissions, Financial Billing Center, pricing and Collections. Before coming to Lightyear, Bush operated her own accounting consultancy, JG Enterprises, where she worked to set up accounting systems for Lightyear, her biggest client. Her background in accounting management is quite diverse, with her career spanning positions as Controller at Centran Corporation, Manager of Accounting Operations for Entrade Corporation, and Accounting Supervisor of NTS Corporation. She received her B.S. in Accounting at the University of Louisville and is a Certified Public Accountant.

LIGHTYEAR COMMUNICATIONS, INC.
TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL

Rena Phillips, Vice President of Operations

Rena Phillips began her career at Lightyear on October 3, 1993, as a Customer Service Representative. She has been involved with the Telecommunications Industry for approximately the past fifteen years in both the provisioning and customer services areas. As Vice President of Operations, Ms. Phillips will be responsible for the customer service and order provisioning divisions associated with the 1 + Switched and Local Products. Through her tenure at Lightyear, she has carried many titles, positions, and responsibilities. She has been instrumental in the development of our Order Provisioning and Customer Services Departments, and has been an influential driving force in the implementation of the new Arbor billing platform from a user's prospective. She has served as the Director of Order Provisioning, IT Director for the Arbor installation, served as the Chairperson of the Core Team for the development of the standards and operating procedures that govern the Arbor Billing system. Rena recently accepted the responsibility of managing the Arbor Conversion Clean-Up Project. Rena's in-depth knowledge of the traditional long distance business coupled with her local knowledge will be a continued asset to Lightyear.

Kevin Shady, Vice President of Local Development

Kevin Shady joined Lightyear in May 1994 as Product Manager, and worked his way up through many positions to become Vice President of Network Development. In this capacity, he works with Lightyear's vendor partners to negotiate product packages and evaluate network capacity. His areas of responsibility include Long Distance, Local and Data/Internet Services, as well as negotiating wholesale contracts with potential Agents and CLEC Management. He came to Lightyear from Brown & Williamson, where he worked in a wide variety of sales and marketing positions. Before entering the marketing field, he was an on-air correspondent at television stations in the Evansville, Ind., market. Shady earned his M.B.A. from Indiana University.

Timothy J. Morgan, Vice President of Information Technology

Timothy J. Morgan came to Lightyear in 1996 as the Billing Manager. He has since been given additional responsibilities of Direct Commissions, Tax and Regulatory, and most recently, promoted to Vice President of Information Technology. Prior to working for Lightyear, Morgan worked in public accounting with the firm of Eskew & Gresham as both a field auditor and as part of Computer Consulting firm as an EDP auditor. His background also includes being Comptroller of a 7-bank holding company and working as a software developer in the health care industry. Morgan has been a certified public accountant in the state of Kentucky since 1986.

J. Clay Masters, Vice President of Sales

Clay Masters, brings extensive leadership experience to Lightyear. After attending the University of Kentucky, Masters opened his own company and signed an Agent agreement with Lightyear. In 1996, Masters was recruited by Lightyear to be Manager of Business Development in order to help secure and complete contractual agreements with new Agents for the sale of telecommunications services to small to medium sized companies. Soon after joining Lightyear, Masters was promoted to Director of Business Development. In February, 2002 he was promoted to Vice President of Sales responsible for all aspects of the Lightyear Agent Partner Channel.

Josh Henderson, Vice President of Sales

Mr. Henderson joined Lightyear in 1997. Before joining Lightyear, from 1995 to 1997, Mr. Henderson worked in Sales at Hands on Originals, an S&S Tire Company, running the College Wearable Division. Since joining Lightyear, he has served as Director of Emerging Markets in 1999, and as Senior Director in Lightyear's Northeast and Mid-Atlantic Markets in 2000. Mr. Henderson is responsible for twelve sales offices throughout the Southeast, Central, Midwest and Northeast Regions. He has a Bachelor of Science degree in Communications from the University of Kentucky.

EXHIBIT D

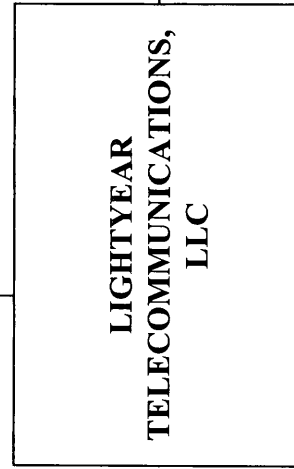
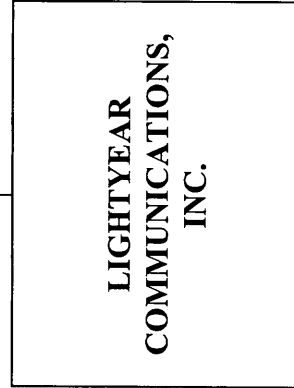
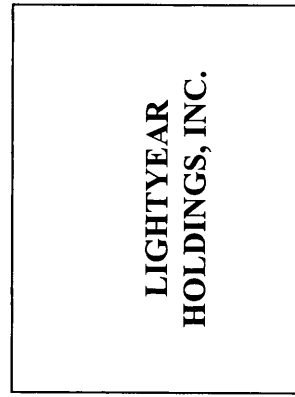
Financial Information

(Filed Under Seal)

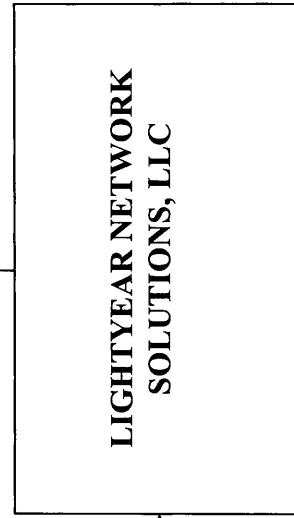
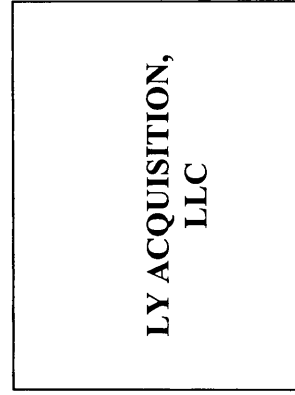
EXHIBIT E
Organizational Chart

ILLUSTRATION OF TRANSACTIONS

SELLERS



BUYERS



ASSETS

ASSETS

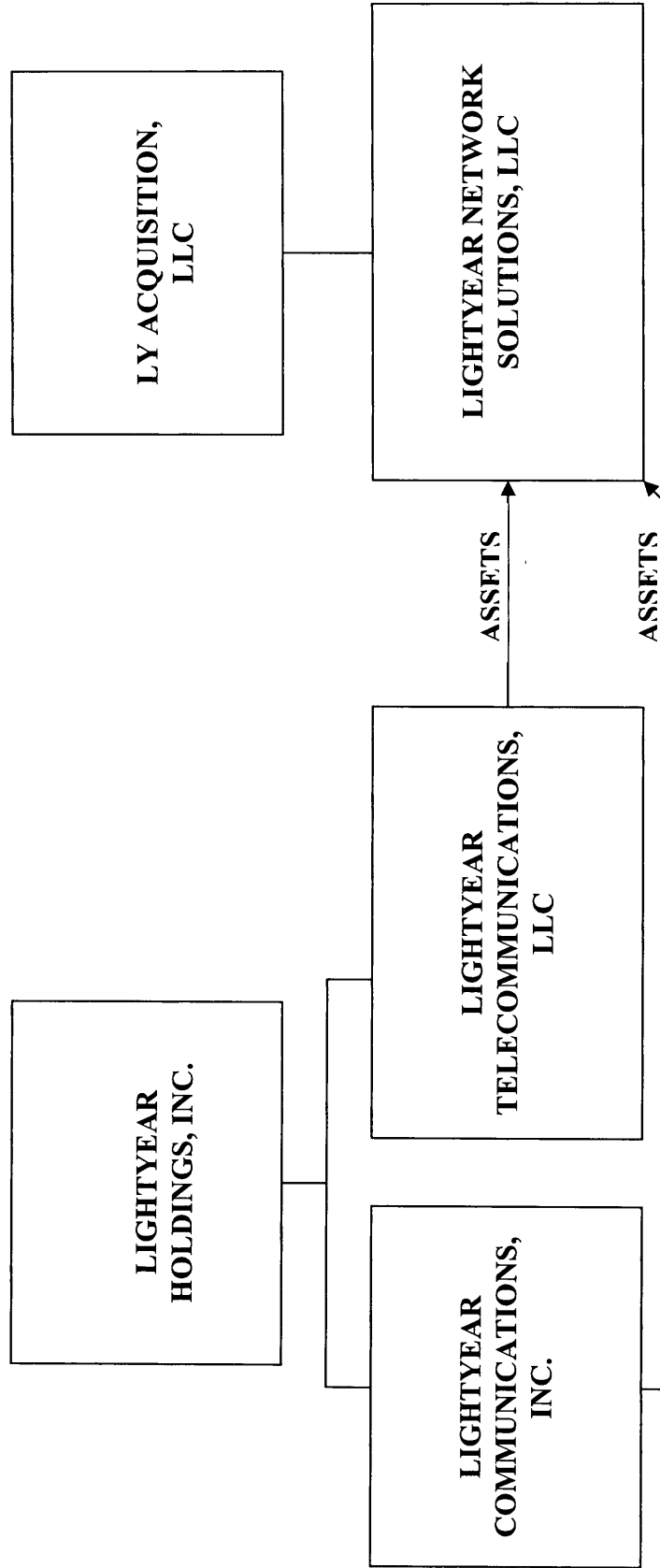


EXHIBIT F

Customer Letter

[INSERT LIGHTYEAR AND OR NEWCO LETTERHEAD/LOGOS]

Dear Valued Customer:

Recently, your telecommunications provided, **Lightyear Communications, Inc.** ("Lightyear"), entered into a series of transaction through which the Lightyear will emerge from bankruptcy through the transfer of substantially all of its assets to Lightyear Network Solutions, LLC ("New Lightyear"). New Lightyear will automatically become your telecommunications provider on or about March 31, 2004. The actual effective date of the transfer will be on a customer by customer basis and will depend on when we receive the appropriate state and federal regulatory approvals.

Please rest assured that the transaction will not affect the services you currently receive and that you will continue to receive services with the same rates, features, terms and conditions as the service you currently enjoy. You will continue to receive top quality services with performance which meets or exceeds that of the services you currently receive. If you reside in Tennessee, and pursuant to Tennessee law, we are required to tell you that the proposed transaction will not affect the rates, terms or conditions under which you currently receive service. However, in compliance with Tennessee law, we are required to advise you that we will provide at least thirty (30) notice to you in the event that any increase in your rates occurs within the ninety (90) days following the completion of the change in your service provider. The transaction has been structured such that customers should not be charged any carrier-change charges levied by your local telephone company. If, however, such a charge does appear on the bill from your local telephone company as a result of this transfer of service to New Lightyear, please call New Lightyear's customer service department toll-free 866-946-2222, and they will reimburse you or credit your account accordingly.

Please note that any "freeze" you have placed on your existing telephone lines to prevent unauthorized transfer to another long distance carrier will be over-ridden for purposes of this transaction, and will need to be reinstated by you after the transfer is complete.

You may, of course, choose another carrier for your telephone service, subject to any termination restrictions in your contract. Customers who wish to choose their own long-distance telephone provider will need to contact that carrier prior to March 10, 2004. Please note that if you are a customer of former Lightyear on the date of the transfer and you have not informed Lightyear that you have made arrangements on your own to switch to a telephone company other than New Lightyear, your account will automatically be transferred and your contract assigned to New Lightyear, even if you have previously arranged for a preferred carrier freeze through your local phone company.

Any questions you may have regarding your current services can be addressed by calling former Lightyear's customer service department using your current toll-free number at 800-805-8383. You may also contact New Lightyear's customer service department to learn more about New Lightyear and its service offerings prior to the transfer by calling its toll-free number at 866-946-2222. Any service orders or complaints you may have prior to the transfer should be addressed to former Lightyear, while any service orders or complaints you may have during the transfer may be directed to New Lightyear.

We look forward to continuing to provide you with quality service for many years to come. In the meantime, if you have specific questions about this notice, please contact us at 1-866-946-2222, or if you reside in Hawaii, you may contact the Hawaii Public Service Commission at 465 S. King Street, First Floor, Honolulu, Hawaii 96813 (Telephone) (808) 586-2020.

Sincerely,

Lightyear Network Solutions, LLC

STATE OF KENTUCKY

:

: SS.

COUNTY OF JEFFERSON

:

VERIFICATION

I, Brent Rice, state that I am Interim Chief Executive Officer of Lightyear Network Solutions, LLC, Applicant in the foregoing Application; that I am authorized to make this Verification on behalf of Lightyear Network Solutions, LLC; that the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing document with respect to Lightyear Network Solutions, LLC are true and correct to the best of my knowledge, information, and belief.

Brent Rice

Brent Rice
Interim Chief Executive Officer
Lightyear Network Solutions, LLC

Sworn and subscribed before me this 30th day of November, 2003.

Dana K. Walker

Notary Public

My commission expires:

3/4/2004